

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. CONTRACT ID CODE	PAGE OF PAGES 1   17
2. AMENDMENT/MODIFICATION NO. M060		3. EFFECTIVE DATE See Block 16C		4. REQUISITION/PURCHASE REQ. NO.	
5. PROJECT NO. (If applicable)					
6. ISSUED BY U. S. Department of Energy Office of River Protection P. O. Box 450, MS H6-60 Richland, WA 99352		7. ADMINISTERED BY (If other than item 6) CODE			
8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)  CH2M HILL Hanford Group, Inc. PO Box 1500 Richland, WA 99352				<div style="display: flex; justify-content: space-between;"> <div style="width: 40%;">           (✓) 9A. AMENDMENT OF SOLICITATION NO.             9B. DATED (SEE ITEM 11)             10A. MODIFICATION OF CONTRACT/ORDER NO. DE-AC27-99RL14047             10B. DATED (SEE ITEM 13) September 30, 1999         </div> <div style="width: 5%; text-align: center;">           ✓         </div> </div>	
CODE		FACILITY CODE			
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS					
<input type="checkbox"/> The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers <span style="float: right;"> <input type="checkbox"/> is extended, <input type="checkbox"/> is not extended.           </span>					
<p>Offerors must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:</p> <p>(a) By completing items 8 and 15, and returning copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.</p>					
12. ACCOUNTING AND APPROPRIATION DATA (if required) N/A					
13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.					
<div style="display: flex;"> <div style="width: 5%; text-align: center;">(✓)</div> <div style="width: 95%;">           A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT/ORDER NO. IN ITEM 10A.             B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).             C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:            X Section I, Clause I.63, Changes - Cost Reimbursement (AUG 1987) Alternate III (APR 1984) and by Mutual Agreement             D. OTHER (Specify type of modification and authority)         </div> </div>					
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input checked="" type="checkbox"/> is required to sign and return <u>2</u> copies to the issuing office.					
14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.) The purpose of this Modification is to make the following changes: revise clauses and tables in Section F, add new clause H.46, Non-Commercial Aviation Activities And Services; Modify Section J, Appendix B, Key Personnel, add/delete various DOE Directives in Section J, Appendix C, add Performance Incentive ORP-20, Revision 1, and to update/change Deliverable due dates in the Contract.					
<p>Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.</p>					
15A. NAME AND TITLE OF SIGNER (Type or print)  Ralph F. Wood, Manager Prime Contract Administration			16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print)  Judith S. O'Connor, Contracting Officer		
15B. CONTRACTOR/OFFEROR  <i>[Signature]</i> (Signature of person authorized to sign)		15C. DATE SIGNED  9/26/02		16B. UNITED STATES OF AMERICA BY <i>[Signature]</i> (Signature of Contracting Officer)	
				16C. DATE SIGNED  10/3/02	

**Block 14 Continuation:**

Description of the Change:

Under Section F, DELIVERIES OR PERFORMANCE, Clause F.3(g), Reporting Requirements, modify paragraph "g" as follows:

**Delete:**

Implement change control thresholds, as provided in Table F-2, at the WBS levels stated in Table F-3, by January 18, 2002. These Change Thresholds and Controls levels will be used for determining the approval level for proposed changes to the RPP baseline effective immediately. Note: Level 3 Baseline Change Thresholds will be reviewed by June 30, 2002. DOE will review control requirements on Capital Projects at WBS levels 6 and 7 (per Section F, DELIVERIES OR PERFORMANCE, Clause F.3, "REPORTING REQUIREMENTS," Table F-3) no later than January 15, 2002.

**Replace with:**

Implement change control thresholds, as provided in Table F-2, at the WBS levels stated in Table F-3, by January 18, 2002. These Change Thresholds and Control levels will be used for determining the approval level for proposed changes to the TFC baseline submitted during FY2002. Effective the beginning of FY2003, implement the change control thresholds provided in Table F-2, Rev. 1, at the WBS levels stated in Table F-3, Rev. 1. Table F-2, Rev. 1 and Table F-3, Rev. 1 shall be used for all proposed changes submitted after 1 October 2002.

2. Under Section F, DELIVERIES OR PERFORMANCE, Clause F.3(i), Reporting Requirements, modify paragraph "i" as follows:

**Delete:**

Establish detailed quarterly assessment of project status similar to the FY 2001 year-end assessment conducted by DOE. Provide electronic file copy to DOE within 30 calendar days of the completion of each quarter, commencing quarter ending December 2001.

**Replace with:**

Provide quarterly assessment report summarizing the total TFC status and progress for the quarter, including an evaluation of the FY and Contract term EAC as described in H.7.03(d)(3). This report is due 30 calendar days after completion of each quarter, commencing December 2001.

3. Under Section F, DELIVERIES OR PERFORMANCE, Table F-2, RPP Baseline Change Thresholds, incorporate the attached Revision 1, effective October 1, 2002.

4. Under Section F, DELIVERIES OR PERFORMANCE, Table F-3, CHG Control Level by WBS, incorporate the attached Revision 1, effective October 1, 2002.
5. Under Section F, DELIVERIES OR PERFORMANCE, Table F-4, CHG Reporting Level by WBS, incorporate the attached Revision 1, effective October 1, 2002.
6. Under Section H, SPECIAL PROVISIONS, Clause H. 7.03(c)(2) "PROJECT CONTROLS," make the following paragraph deletion:

Annual Work Analysis. Prior to the release of funds for each fiscal year, the DOE will analyze the technical, schedule, and cost baseline for that upcoming fiscal year. By May 31st each year (excluding FY 01 and FY 02) the DOE will provide an estimate of any budget restrictions, or specific technical or schedule guidance for the upcoming fiscal years through the remainder of the contract term. The Contractor shall prepare a project performance forecast for all upcoming fiscal years from the approved Baseline and the DOE guidance. By July 31st each year the Contractor shall submit to the Contracting Officer or designee a comprehensive analysis of total project status, including impacts to work scope, schedule, and cost elements of the Baseline and the projected budget allocations to WBS elements with a focus to activities described in the baseline for the upcoming fiscal year. This deliverable is known as the Annual Work Analysis (AWA), as derived from the Baseline. Variations from the Baseline described in the AWA, which exceed established thresholds, shall be addressed through established change control procedures and if necessary, incorporated into the contract by modification.

7. Under Section H, SPECIAL PROVISIONS, Clause H. 7.03(d)(1) "PROJECT CONTROLS," make the following change to clarify earned value techniques and add a reference to Table F-4 for Reporting Levels:

Project Performance. Differences between planned and actual performance, shall be analyzed and reviewed monthly against the Baseline for the current fiscal year portion of the total project. Performance analysis techniques shall be commercially accepted and documented, and shall utilize quantity-based earned-value methods and shall be reported to DOE at the Reporting level of the WBS as shown in Contract Section F, DELIVERIES OR PERFORMANCE, Clause F.3 "REPORTING REQUIREMENTS," Table F-4. Objective measures are preferred for measurement of all technical work scope. For variances between planned and actual that exceed thresholds established by the Contracting Officer, the analysis shall describe the causes for variance, impact on other cost accounts and WBS elements, and corrective action required.

8. Under Section H, SPECIAL PROVISIONS, Clause H. 7.03(e)(2) "PROJECT CONTROLS," make the following change to add a reference to Table F-4 for Reporting Levels:

Report Consistency. Plans and reports shall be prepared in such a manner as to provide for consistency with the Contract Statement of Work, baseline, approved WBS, PBSs, and correlation of data among the various plans and reports. The reporting system established and maintained by the Contractor pursuant to this Clause shall recognize changes in work effort directed by the Contracting Officer. The Contractor's reporting system shall be able to provide for the following at reporting level and for individual construction projects (Refer to Contract Section F, DELIVERIES OR PERFORMANCE, Clause F.3 "REPORTING REQUIREMENTS," Table F-4):

- (i) Timely incorporation of contractual changes affecting estimated cost and schedule;
- (ii) Reconciliation of estimated costs for those elements of the WBS or discrete cost accounts with current performance measurement budgets in terms of changes to the authorized work and internal replanning;
- (iii) Changes to records pertaining to work performed that will change previously reported costs for correction of errors and routine accounting adjustments;
- (iv) Revisions to the Contract estimated costs for Government-directed changes to the contractual effort.

9. Under Section H, SPECIAL PROVISIONS, Clause H.37(b) "WORKERS COMPENSATION," make the following modification:

Modify from:

The Contractor shall submit to DOE (or other party as designated by DOE), for transmittal to the L&I, such payroll records as are required by the said statutes.

Modify to:

The Contractor shall submit to DOE (or other party as designated by DOE), for transmittal to the L&I, such payroll records as are required by the said statutes **by April 30 of each year of the Contract period.**

10. Under Section H, SPECIAL PROVISIONS, Clause H.37(e) "WORKERS COMPENSATION," make the following modification:

Modify from:

The Contractor shall be responsible for making all payments and submitting all reports required by RCW Title 51, Section 51.32.073.

Modify to:

The Contractor shall be responsible for making all payments and submitting all reports required by RCW Title 51, Section 51.32.073 **by April 30 of each contract year.**



11. Under Section H, SPECIAL PROVISIONS, incorporate new Clause H.46, "NON-COMMERCIAL AVIATION ACTIVITIES AND SERVICES," with text as follows:

**"H.46 NON-COMMERCIAL AVIATION ACTIVITIES AND SERVICES**

As required to perform the Statement of Work described in Section C of this Contract, the Contractor may purchase non-commercial aviation services for aerial photography. Such aerial photography services shall be obtained only from the U.S. Department of Energy (DOE) Hanford Contractor approved to provide aviation services for the Hanford Site. The DOE Contracting Officer and the Hanford Aviation Manager/Safety Officer must approve all other non-commercial aviation or aviation-related services in advance."

12. Under Section J, Appendix A, KEY PERSONNEL, make the following change to reflect the newly appointed D. B. Amerine, Executive Vice President and Deputy Manager:

Delete:

TBD Executive Vice President, CH2M HILL Hanford Group, Inc.

Replace with:

D. B. Amerine Executive Vice President and Deputy General Manager, CH2M HILL Hanford Group, Inc.

13. Under Section J, Appendix B.4(a)(1), ADVANCE UNDERSTANDING ON PERSONNEL COSTS POLICIES AND PROCEDURES, make the following change:

Modify from:

- (1) Compensation Increase Plan – Prior to each salary program year, the Contractor will develop and justify, in a manner prescribed by the Contracting Officer, a Compensation Increase Plan for exempt employees and a Compensation Increase Plan for non-exempt.

Modify to:

- (1) Compensation Increase Plan – No later than November 1 of each salary program year, the Contractor will develop and justify, in a manner prescribed by the Contracting Officer, a Compensation Increase Plan for exempt employees and a Compensation Increase Plan for non-exempt. **ORP will review/comment and approve within 60 calendar days of submittal of this plan.**

14. Under Section J, Appendix B.4(a)(4), ADVANCE UNDERSTANDING ON PERSONNEL COSTS POLICIES AND PROCEDURES, make the following change:

Modify from:

Salary Structures – The Contractor shall establish separate salary structures containing position grades, classifications, and salary ranges for exempt and for non-exempt, non-bargaining employees who are assigned to work on the Contract. The structures shall be submitted to the Contracting Officer for review and approval in advance of incurrence of costs and no later than January 31, 2001. No salary above the maximum of the salary range shall be allowable except in those cases where the Contracting Officer authorizes a “red circle” rate.

Modify to:

Salary Structures – The Contractor shall establish separate salary structures containing position grades, classifications, and salary ranges for exempt and for non-exempt, non-bargaining employees who are assigned to work on the Contract. The structures shall be submitted to the Contracting Officer for review and approval in advance of incurrence of costs and no later than January 31, 2001, **and as required thereafter**. No salary above the maximum of the salary range shall be allowable except in those cases where the Contracting Officer authorizes a “red circle” rate.

15. Under Section J, Appendix B.4(a)(5), ADVANCE UNDERSTANDING ON PERSONNEL COSTS POLICIES AND PROCEDURES, make the following change:

Modify from:

Overtime Control Plan – The Contractor shall submit to the Contracting Officer for approval an annual overtime control plan that includes at a minimum (1) an overtime premium fund (maximum dollar amount); (2) specific controls for casual overtime for nonexempt employees; and (3) an evaluation of alternatives to the use of overtime.

Modify to:

Overtime Control Plan – The Contractor shall submit to the Contracting Officer for approval an annual **FY** overtime control plan that includes at a minimum (1) an overtime premium fund (maximum dollar amount); (2) specific controls for casual overtime for nonexempt employees; and (3) an evaluation of alternatives to the use of overtime, **no later than January 31 of each year of the Contract period for current fiscal year**.

16. Under Section J, Appendix C, DOE DIRECTIVES, make the following deletion:

Delete:

DOE O 231.1                      Environment, Safety, and Health Reporting

17. Under Section J, Appendix C, DOE DIRECTIVES, make the following change:

Delete: DOE/RW-0333P\*

Rev. 10, Quality Assurance Requirements and  
Descriptions

Replace with: DOE/RW-0333P\* Rev. 11, Quality Assurance Requirements and Descriptions

18. Under Section J, Appendix C, DOE DIRECTIVES, make the following change:

Delete: DOE O 5480.22/1&2 Technical Safety Requirements

19. Under Section J, Appendix C, DOE DIRECTIVES, make the following change:

Delete: DOE O 440.2/1&2 Aviation

Delete: DOE M 440.2 Aviation Manual

20. Under Section J, Appendix C, DOE DIRECTIVES, make the following change:

Delete: DOE O 481.1 Work for Others (Non-DOE Funded Work)  
DOE O 481.1-1 Reimbursable Work for Non-Federal Sponsors Process Manual

DOE O481.1B Work for Others (Non-DOE Funded Work)  
DOE O 481.1-1A, Reimbursable Work for Non-Federal Sponsors  
Change 1, Process Manual

21. Under Section J, Appendix C, DOE DIRECTIVES, make the following deletion:

Delete:

ORP 420.1-1\*\* ORP Fire Protection Program

22. Under Section J, Appendix D, PERFORMANCE BASED INCENTIVES, make the following change:

Delete: ORP-20 Single-Shell Tank Retrieval Tank S-112, Revision 0, dated January 16, 2001

ORP-20 Single-Shell Tank Retrieval Tank S-112, Revision 1, dated May 31, 2002

ORP-20, Revision 1 established contractor fee through September 30, 2002 only. Contract Modification M064, dated September 30, 2002 established Performance Based Incentives for FY 2003 and the remainder of the contract.

Contractor's Statement of Release

The Contractor hereby releases the Government from any and all liability under this Contract for any further equitable adjustments attributable to the changes set forth above.

Table D-1 (Revision 6)

Summary of FY2001 through FY2006  
Performance Based Incentives

Number	Title	(000)	
		Percent of Available Fee Pool	Available Fee Pool
ORP-01 R2	Project W-314	15.40%	
ORP-02 R1	Retrieval Systems (W-211 and W-521)	4.10%	
ORP-03	Store Immobilized High Level Waste (IHLW)	2.90%	
ORP-04	Dispose of Immobilized Low Activity Waste (ILAW)	5.50%	
ORP-05 R1	SST Interim Stabilization	8.00%	
ORP-06	Initial Waste Feed Delivery	5.70%	
ORP-07 R1	SST Retrieval - Tank C-104	9.60%	
ORP-08	Facility Stabilization	4.70%	
ORP-09 R1	Life Cycle Asset Management	6.40%	
ORP-10	DST Integrity Assessment Reports	3.40%	
ORP-11	242-A Evaporator Life Cycle Asset Management	1.30%	
ORP-12	Tank Characterization	1.80%	
ORP-13 R1	Tank Farm - Closure Support	6.40%	
ORP-14 R1	SST Retrieval - Tank S-102 (Note: includes SSPBI work, see below)	1.60%	
ORP-15 R1	Corporate Performance	14.70%	
ORP-16	WTP Interim Design and Transition	2.30%	
	Unallocated Fee (See Clause H.1)	6.20%	
	ORP-29 Performance Mgmt. Plan Implementation (FY 02 unallocated fee)		
	ORP-31 FFCA Stack Closure (partial FY 03 unallocated fee)		
	<b>Total</b>	<b>100.00%</b>	<b>\$ 106,100</b>
<b>SuperStretch Performance Incentives (SSPBI)</b>			
Number	Title	Available Fee	
	The following SSPBIs are Negotiated and Approved:		
ORP2-1,3S R1	Advanced Preparation of 241-SY-101 for Retrieval and for Receiving and Staging	\$	1,355
ORP3-8,2S	Transfer Waste from 241-AW-104 to Evaporator Feed Tank	\$	760
ORP6-1,2S	Acceleration of Project W-519	\$	400
ORP-17 R3	FY2001 Deferred Work Scope	\$	1,072
ORP-19 R2	DST Caustic Addition	\$	1,802
ORP-20	SST Retrieval Tank S-112	TBD	
ORP-21	241-SY Primary Ventilation System Backup Exhauster	\$	201
ORP-23 R2	Accelerate W-525 Construction of the Tank Farm Infrastructure and Compliance Upgrades	\$	352
ORP-24 R2	Accelerate Saltcake Retrieval (U-107)	\$	704
ORP-25	Vadose Zone Acceleration in Support of SST Farm Closure	\$	199
ORP-26	Ready 241-AP-102 as an Available Receiver Tank	\$	147
ORP-27	Double-Shell Tank Integrity Project High Priority Caustic Additions, Video Inspections, and Ultra Sonic Testing Inspections	\$	167
ORP-28	Accelerated Tank Closure Demonstration	\$	904
ORP-31	FFCA Stack Closure	\$	275
	<b>Total</b>		<b>\$ 8,386</b>
<b>The following SSPBIs are Pending Final Negotiation:</b>			
ORP-14 R1	SST Retrieval - Tank S-102	TBD	
ORP-18	Accelerate W-520 Construction of the ILAW Disposal Facility	TBD	
ORP-22	Accelerate W-464 Construction of IHLW Storage Facility	TBD	
ORP-23 R2	Accelerate W-525 Construction of the Tank Farm Infrastructure and Compliance Upgrades	TBD	
<b>The following is a list of Potential SSPBI Areas</b>			
	Remove Organic Layer from C-103		
	Remove SY-103 from Watch List		
	Accelerate SST Retrieval Crawler Development		
	C-106 Closure Evaluation		
	Accelerate SST Leak Detection Upgrade		
	Enhanced Interim Stabilization of Equipment		

Table F-2 Rev.1  
RPP Baseline Change Thresholds  
Effective Date: 1 October 2002

Threshold	Approval Authority	Technical Baseline	Scope Baseline	Cost Baselines	Milestones/Schedule Baseline	Interfaces
<b>DOE-HQ Authority Level</b>						
Level 0 Change	DOE-HQ: EM-1	Impacts to Tier 0 Technical Baseline documents per the RPP Technical Baseline Document List, Appendix D to the RPP Mission Analysis and Requirements Report (MARR) Rev. TBD, that impact scope, cost or schedule baselines, as determined by the DAS to require EM-1 approval. (The ORP Contracting Officer will provide guidance in the interim.	PBS Baseline Section- End state narratives: - Changes to scope that affect mission need requirements (for example, facility capacity/throughput, release limits, ES&H/QA requirements, area or volume to be built, restored, remediated, or deactivated, major utilities, end state constraints, operating resources, location, and/or technical process) as determined by DOE-HQ site lead.  Changes to PBS Structure: Any additions or deletions of PBS's as determined by the DAS to require EM-1 approval.	Cost increase to the current PBS Lifecycle Baseline $\geq 20\%$ and $\geq \$10$ M. Thresholds are for individual or cumulative changes since the most recent Level 1 or higher approval.	For Major Milestones (i.e., HQ milestones) and PBS end dates, as agreed to between HQ and ORP Manager: - Milestone date extension $> 12$ months and 10% of the remaining duration to achieve the milestone.	Impacts on other sites (end state, end date, major milestones and cost): - Any mutually agreed to changes that would cause activities at other site(s) to exceed EM-1 thresholds or changes specifically based on DAS and Field Manager recommendation.
	Projects: (Refer to Project Execution Plan (PEP) for delegation of approval authorities.)		Projects: - Major System Projects - Changes to scope that affect mission need requirements. - Other Projects - New scope/performance not in conformance with current approved Project Data Sheet.	Projects: - Major System Projects - Any increase in TPC and/or TEC. - Other Projects - $\geq \$5$ M or 25% (whichever value is less) of TPC and /or TEC	Projects: - Major System Projects/Other Projects - $\geq 6$ months (cumulative) extension of a project-level schedule milestone date.	Projects: Impacts on other sites (end state, end date, major milestones and cost): - Any mutually agreed to changes that would cause activities at other site(s) to exceed EM-1 thresholds or changes specifically based on DAS and Field Manager recommendation.
Level 1 Change	DOE-HQ: Deputy Assistant Secretary (DAS) - Program Secretarial Officer	Impacts to Tier 0 Technical Baseline documents per the RPP Technical Baseline Document List, Appendix D to the RPP Mission Analysis and Requirements Report (MARR) Rev. TBD that impact scope, cost or schedule baselines. The ORP Contracting Officer will provide guidance in the interim.	PBS Baseline Section- End state narratives: - Changes to scope that affect mission need requirements (for example, facility capacity/throughput, release limits, ES&H/QA requirements, area or volume to be built, restored, remediated, or deactivated, major utilities, end state constraints, operating resources, location, and/or technical process).  Changes to PBS Structure: Any additions or deletions of PBS's.	Cost increase to the current PBS Lifecycle Baseline $> 15\%$ and $\geq \$5$ M and $< 20\%$ or $< \$10$ M. Thresholds are for individual or cumulative changes from the most recent Level 1 or higher approval.	For Major Milestones (i.e., HQ Milestones) and PBS end dates, as agreed to between HQ and ORP Manager: - Milestone date extension $> 6$ months and 10% of the remaining duration to achieve the milestone.	Impacts on other sites (end state, end date, major milestones and cost): - Any mutually agreed to changes that would cause activities at other site(s) to exceed DAS thresholds or changes not agreed to by affected sites.
	Projects: (Refer to Project Execution Plan (PEP) for delegation of approval authorities.)		Projects: - Major System Projects - Changes to scope that may affect operation functions but does not affect mission need. - Other Projects - Changes to scope that affect mission need requirements.	Projects: - Major System Projects - Any change to project cost sub-elements as defined in the Project Execution Plan. - Other Projects - Any increase in TPC and/or TEC.	Projects: - Major System Projects/Other Projects - 1 - 6 months (cumulative) extension of a project-level schedule milestone date.	Projects: Impacts on other sites (end state, end date, major milestones and cost): - Any mutually agreed to changes that would cause activities at other site(s) to exceed DAS thresholds or changes not agreed to by affected

Table F-2 Rev.1  
RPP Baseline Change Thresholds  
Effective Date: 1 October 2002

Threshold	Approval Authority	Technical Baseline	Scope Baseline	Cost Baselines	Milestones/Schedule Baseline	Interfaces
<b>DOE-ORP Authority Level:</b>						
Level 2 Change	DOE-ORP	Impacts to Tiers 1 or 2 Technical Baseline documents per the RPP Technical Baseline Document List, Appendix D to the RPP Mission Analysis and Requirements Report (MARR) Rev. TBD that impact scope, cost or schedule baselines. The ORP Contracting Officer will provide guidance in the interim.	Any transfer of scope between PBSs. Any change to scope of work as documented in Work Breakdown Structure (WBS) Dictionaries maintained at or above the designated ORP control level of the WBS per Table F3.	Current FY cost baseline change of $\geq 15\%$ or $\geq \$2.5$ M OR Net increase to the lifecycle PBS cost baseline of $\geq 1\%$ or $\geq \$25$ M.	For ORP and above Milestones and PBS end dates, as agreed to between HQ and ORP Manager. Any substantial (other than administrative) change to agreed to milestones.	Changes to WTP Interface Control Documents will follow the process described in the jointly developed Interface Management Plan (24590-WTP-PL-MG-01-001) and changes to other prime contractor agreements [excluding TFC-WTP agreements] will follow the process described in the CHG Interface Management Plan (RPP-MP-613). In either case, where interface change level is unclear, the scope, cost, and milestone thresholds described in this table will be used for change level determination.
	Projects: (Refer to Project Execution Plan (PEP) for delegation of approval authorities.)	Projects: See Project Specific Execution Plan (PEP).	Projects: See Project Specific Project Execution Plan (PEP).	Projects: See Project Specific Project Execution Plan (PEP).	Projects: Same as above.	Changes to WTP Interface Control Documents will follow the process described in the jointly developed Interface Management Plan (24590-WTP-PL-MG-01-001) and changes to other prime contractor agreements [excluding TFC-WTP agreements] will follow the process described in the CHG Interface Management Plan (RPP-MP-613). In either case, where interface change level is unclear, the scope, cost, and milestone thresholds described in this table will be used for change level determination.

**Table F-2 Rev.1**  
**RPP Baseline Change Thresholds**  
Effective Date: 1 October 2002

Threshold	Approval Authority	Technical Baseline	Scope Baseline	Cost Baselines	Milestones/Schedule Baseline	Interfaces
<b>Contractor Authority Levels</b>						
Level 3 Change	CHG	Impacts to Technical Baseline documents not included in the RPP Technical Baseline Document List, Appendix D, RPP Mission Analysis and Requirements Report (MARR) Rev. TBD that impact scope, cost or schedule baselines. The ORP Contracting Officer will provide guidance in the interim.	Any change to scope of work statements in Work Breakdown Structure (WBS) Dictionaries maintained below the designated ORP control level of the WBS, per Table F-3.	Current FY cost baseline change of < 15% and <\$2.5 M OR Net increase to the lifecycle PBS cost baseline of < 1% and < \$25 M.	Contractor Milestone or schedule baseline changes that do not affect ORP controlled or higher level milestones.	Changes to WTP Interface Control Documents will follow the process described in the jointly developed Interface Management Plan (24590-WTP-PL-MG-01-001) and changes to other prime contractor agreements [excluding TFC-WTP agreements] will follow the process described in the CHG Interface Management Plan (RPP-MP-613). In either case, where interface change level is unclear, the scope, cost, and milestone thresholds described in this table will be used for change level determination.
			Projects: See Project Specific Project Execution Plan (PEP).	Projects: See Project Specific Project Execution Plan (PEP).	Projects: Same as above.	Changes to WTP Interface Control Documents will follow the process described in the jointly developed Interface Management Plan (24590-WTP-PL-MG-01-001) and changes to other prime contractor agreements [excluding TFC-WTP agreements] will follow the process described in the CHG Interface Management Plan (RPP-MP-613). In either case, where interface change level is unclear, the scope, cost, and milestone thresholds described in this table will be used for change level determination.

Table F-3 Rev. 1  
CHG Control Level by WBS  
Effective Date: 1 October 2002

WBS	WBS Title	LI or Exp. Proj.	ORP Control Level	PBS
<b>5.01</b>	<b>Store Waste</b>		<b>2</b>	<b>TW03</b>
5.01.03.04.02.12	W-420 Stack Monitoring Upgrades	Exp.	Per Project PEP	TW03
<b>5.02</b>	<b>Retrieve Waste</b>		<b>2</b>	<b>TW04</b>
5.02.01.01.02.02	LDMM Technology Development	Exp.	Per Project PEP	TW04
5.02.01.01.03.02	Mobile Retrieval System (MRS)	Exp.	Per Project PEP	TW04
5.02.01.02.06.04	C-104 Retrieval System (W-523)	Exp.	Per Project PEP	TW04
5.02.01.02.06.06	C-106 Retrieval System (W-526)	Exp.	Per Project PEP	TW04
5.02.01.02.06.07	C-107 Retrieval System (W-526)	Exp.	Per Project PEP	TW04
5.02.01.02.07.02	S-102 Retrieval System	Exp.	Per Project PEP	TW04
5.02.01.02.07.05	S-105 Retrieval System (W-528)	Exp.	Per Project PEP	TW04
5.02.01.02.07.06	S-106 Retrieval System (W-527)	Exp.	Per Project PEP	TW04
5.02.01.02.07.11	S-111 Retrieval System (S-111)	Exp.	Per Project PEP	TW04
5.02.01.02.07.12	S-112 Retrieval System	Exp.	Per Project PEP	TW04
5.02.02.02.01	1 DST Retrieval System (API01)	Exp.	Per Project PEP	TW04
5.02.02.02.02	10 DST Retrieval Systems (W-211)	LI	Per Project PEP	TW04
5.02.02.02.03	8 DST Retrieval Systems (W-521)	LI	Per Project PEP	TW04
5.02.02.02.04	3 DST Retrieval Systems (W-522)	LI	Per Project PEP	TW04
5.02.02.02.05	6 DST Retrieval Systems (W-343)	LI	Per Project PEP	TW04
5.02.02.03.01	W-314 Tank Farm Restoration and Safe Operations	LI	Per Project PEP	TW04
5.02.02.03.02	DST Compliance Upgrades (E-525)	Exp.	Per Project PEP	TW04
<b>5.03.01</b>	<b>Treat &amp; Immobilize Waste</b>		<b>3</b>	<b>TW06</b>
<b>5.03.02</b>	<b>Balance of Mission</b>		<b>3</b>	<b>TW07</b>
<b>5.04</b>	<b>Dispose Waste</b>		<b>2</b>	<b>TW09</b>
5.04.01.01	Initial ILAW Disposal Facility (W-520) (PED)**	LI	Per Project PEP	TW09
5.04.01.02	Additional ILAW Disposal Facilities (W-NNN)	LI	Per Project PEP	TW09
5.04.02.01	Initial IHLW Storage Facility (W-464) (PED)**	LI	Per Project PEP	TW09
5.04.02.02	Additional IHLW Storage (W-XXX) & (W-ZZZ)	LI	Per Project PEP	TW09
5.04.02.04	Prepare to Ship IHLW (W-QQQ)	LI	Per Project PEP	TW09
<b>5.05</b>	<b>Close Facilities</b>		<b>2</b>	<b>TW11</b>
5.05.03.02	Immobilized Waste Facilities	LI	Per Project PEP	TW11
<b>5.06</b>	<b>Manage Project</b>		<b>2</b>	<b>TW10</b>

Note: Expense Projects associated with the Balance of Mission (BOM) and Close Facilities WBS elements will be identified upon definition of the scope.

\*\* PED funds are a separate control point within these Line Item Projects.



**Table F-4 Rev. 1**  
**CHG Reporting Level by WBS**  
Effective Date: 1 October 2002

WBS	WBS Title	LI or Exp. Proj.	CHG Reporting Level	PBS
<b>5.01</b>	<b>Store Waste</b>		<b>2</b>	<b>TW03</b>
5.01.03.04.02.12	W-420 Stack Monitoring Upgrades	Exp.	See Note 2	TW03
<b>5.02</b>	<b>Retrieve Waste</b>		<b>2</b>	<b>TW04</b>
5.02.01.01.02.02	LIDMM Technology Development	Exp.	See Note 2	TW04
5.02.01.01.03.02	Mobile Retrieval System (MRS)	Exp.	See Note 2	TW04
5.02.01.02.06.04	C-104 Retrieval System (W-523)	Exp.	See Note 2	TW04
5.02.01.02.06.06	C-106 Retrieval System (C-106)	Exp.	See Note 2	TW04
5.02.01.02.06.07	C-107 Retrieval System (W-526)	Exp.	See Note 2	TW04
5.02.01.02.07.02	S-102 Retrieval System	Exp.	See Note 2	TW04
5.02.01.02.07.05	S-105 Retrieval System (W-528)	Exp.	See Note 2	TW04
5.02.01.02.07.06	S-106 Retrieval System (W-527)	Exp.	See Note 2	TW04
5.02.01.02.07.11	S-111 Retrieval System (S-111)	Exp.	See Note 2	TW04
5.02.01.02.07.12	S-112 Retrieval System	Exp.	See Note 2	TW04
5.02.02.02.01	1 DST Retrieval System (AP101)	Exp.	See Note 2	TW04
5.02.02.02.02	10 DST Retrieval Systems (W-211)	LI	See Note 2	TW04
5.02.02.02.03	8 DST Retrieval Systems (W-521)	LI	See Note 2	TW04
5.02.02.02.04	3 DST Retrieval Systems (W-522)	LI	See Note 2	TW04
5.02.02.02.05	6 DST Retrieval Systems (W-343)	LI	See Note 2	TW04
5.02.02.03.01	W-314 Tank Farm Restoration and Safe Operations	LI	See Note 2	TW04
5.02.02.03.02	DST Compliance Upgrades (E-525)	Exp.	See Note 2	TW04
<b>5.03.01</b>	<b>Treat &amp; Immobilize Waste</b>		<b>3</b>	<b>TW06</b>
<b>5.03.02</b>	<b>Balance of Mission</b>		<b>3</b>	<b>TW07</b>
<b>5.04</b>	<b>Dispose Waste</b>		<b>2</b>	<b>TW09</b>
5.04.01.01	Initial ILAW Disposal Facility (W-520)	LI	See Note 2	TW09
5.04.01.02	Additional ILAW Disposal Facilities (W-NNN)	LI	See Note 2	TW09
5.04.02.01	Initial IHLW Storage Facility (W-464)	LI	See Note 2	TW09
5.04.02.02	Additional IHLW Storage (W-XXX) & (W-ZZZ)	LI	See Note 2	TW09
5.04.02.04	Prepare to Ship IHLW (W-QQQ)	LI	See Note 2	TW09
<b>5.05</b>	<b>Close Facilities</b>		<b>2</b>	<b>TW11</b>
5.05.03.02	Immobilized Waste Facilities	LI	See Note 2	TW11
<b>5.06</b>	<b>Manage Project</b>		<b>2</b>	<b>TW10</b>

Note 1: Expense Projects associated with the Balance of Mission (BOM) and Close Facilities WBS elements will be identified upon definition of the scope.

Note 2: Refer to the Project specific Project Execution Plan (PEP) for reporting requirements and project WBS for Monthly Review Meeting - Monthly Performance Reports on all Line Item and Expense projects identified above.

**FY 2001 - 2006 PERFORMANCE BASED INCENTIVE****SECTION 1**  
**General Information**

Title: Single-Shell Tank Retrieval Tank S-112

Project Baseline Summary (PBS): TW04

Work Breakdown Structure (WBS): 5.02.01.02.07.12.09

Maximum Available Incentive Fee: *Superstretch: Fee*  
*Potential = \$5,789.6K<sup>1</sup>, \$6,037.3K<sup>2</sup>, \$6,284.9K<sup>3</sup>, \$TBDK<sup>4</sup>*

Type: Superstretch

<sup>1</sup>\$32,164.5K BCWS + \$5,789.6K Fee = \$37,954.1K Funds<sup>2</sup>\$32,164.5K BCWS + \$6,037.3K Fee = \$38,201.8K Funds<sup>3</sup>\$32,164.5K BCWS + \$6,284.9K Fee = \$38,449.4K Funds<sup>4</sup>\$3,755K BCWS + \$TBDK Fee = \$TBDK Funds

Note: ORP may at its unilateral discretion choose to revise downward the baseline cost estimate for this Superstretch Performance Based Incentive (SSPBI) to reflect the results of the baseline improvement process (BIP) for FY 2002 – FY 2006. No payments upon this SSPBI would be made until the BIP baseline change request (BCR) has been approved by ORP for the applicable fiscal year.

BCWS and corresponding fee dollars subject to downward adjustment based on approved BCR for this workscope.

**SECTION 2**  
**Technical Contacts**

ORP Point of Contact: J. Swailes/K. Fick/J. Cruz

Contractor Point of Contact: J. Eacker/R. Wilson

**SECTION 3**  
**Performance Expectations and Earning Schedule****Basis:**

This SSPBI includes incremental incentive to accelerate completion. This acceleration benefits the government by reducing the risk to the environment by removing waste from the tank earlier and reducing the risk of project failure caused by the required waste transfer lines becoming noncompliant in June 2005.

**General:**

The Contractor's final fee will be determined in accordance with clause H.1, Performance Based Incentives and Fee Distribution.

- Performance Based Incentives may be modified to reflect changes to the project baseline resulting from external drivers, such as, submission and approval of TPA change requests for consistency purposes.
- Acceptable product completion represents technical adequacy and good value to the government.

**Specific Requirements:**

- Complete final Functions and Requirements (F&R) document for tank S-112 and submit to ORP. F&R document will detail SST target retrieval specification, leak detection monitoring and mitigation (LDMM) specification, both based on environmental risk/cost and retrieval/leak loss instrumentation and operational experience from DOE and industry as prescribed in M-45-03-T03. (Earn 23% of 1 fee.) (November 30, 2001)
- Complete tank S-112 saltcake waste retrieval design (to include physical systems including design and operating strategies necessary for LDMM) to meet the elements specified in Tri-Party Agreement (TPA) Milestone M-45-03D. (Earn 23% of fee 1 fee by March 31, 2003), (Earn 23% of fee 2 fee by November 30, 2002), (Earn 23% of fee 3 fee by September 30, 2002)

**FY 2001 - 2006 PERFORMANCE BASED INCENTIVE**

3. Complete tank S-112 saltcake waste retrieval construction (to include physical systems including design and operating strategies necessary for LDMM) to meet the elements specified in TPA M-45-03E. (Earn 29% of 1 fee by July 31, 2004), (Earn 29% of 2 fee by February 28, 2004), (Earn 29% of 3 fee by November 30, 2003)
4. Complete full-scale saltcake waste retrieval demonstration at tank S-112. Waste shall be retrieved to the Double-Shell Tank (DST) system to the limits of the technology (or technologies) selected. This product will meet the elements specified in TPA M-45-03C. (Earn 25% of 1 fee by July 31, 2005), (Earn 25% of 2 fee by January 31, 2005), (Earn 25% of 3 fee by October 31, 2004)

Specific Requirement 5 details to be negotiated after completion of Specific Requirement 2.

5. Complete Waste Residuals Risk Reduction, including documentation requirements specified in Define Completion for Specific Requirement 4, by July 31, 2005. (Earn 100% of 4 fee) Preparations for execution of Waste Residuals Reduction shall be performed in parallel with Specific Requirements 2, 3, and 4 may be terminated at any time by the direction of ORP.

**SECTION 4**  
**Performance Requirements**

**DEFINE COMPLETION:** (Specify Performance Elements and describe indicators of success (quality/progress). Include baseline documentation/data against which completion documentation should be compared.)

1. The completion date for Performance Expectation 1 is a target date. Fee can be earned by completing the performance expectation by the target date. If Performance Expectation 1 is completed late, the fee associated with the missed performance expectation will be deferred until Performance Expectation 2 is completed in accordance with the requirements of Specific Requirement 2. All deferred fee will be paid upon completion of Performance Expectation 2. Complete final F&R document for tank S-112 to submit to the ORP by November 30, 2001. This F&R document will address the elements discussed in M-45-03-T03 (e.g., Retrieval Performance Evaluations, LDMM strategy, lessons learned as well as standard F&R elements). Note for information only, this document will be submitted to Ecology for their comments (not approval) to support completion of the TPA milestone M-45-03-T03.
2. Complete tank S-112 Saltcake waste retrieval design (to include physical systems including design and operating strategies necessary for LDMM). Design will be considered complete when 90% of the design has been approved for fabrication and / or construction. Design shall be submitted to ORP approved by the contractor. A letter from the contractor to ORP will be transmitted on or before due date (TPA M-45-03D date is 5/31/03), documenting compliance with this completion requirement.
3. Complete tank S-112 Saltcake waste retrieval construction (to include physical systems including design and operating strategies necessary for LDMM). Construction will be considered complete when the process equipment is installed and acceptance tests (ATPs) are completed. A letter will be transmitted by the contractor to ORP documenting compliance with this completion requirement on or before due date (TPA M-45-03E date is 9/30/2004).
4. Complete full-scale saltcake waste retrieval technology demonstration at tank S-112. Waste shall be retrieved to the DST system to the limits of the technology (or technologies) selected, and the parties of this contract recognize and agree that this action is for demonstration and initial waste retrieval purposes. Documentation on the results of the waste retrieval operations/results, the operability and technical performance of the LDMM system and an evaluation as to the suitability for use of both the retrieval system and LDMM system in potentially leaking tanks will be provided. A letter will be transmitted by the contractor to ORP documenting compliance with this completion requirement on or before due date (TPA M-45-03-C date is 9/30/2005).
5. TBD. Upon completion of Specific Requirement 2.

## FY 2001 - 2006 PERFORMANCE BASED INCENTIVE

**DEFINITIONS:** *(define terms)*

Final F&R means contractor-approved.

**COMPLETION DOCUMENTS LIST:** *(Name the Documents, Databases, etc., which will be submitted to show completion for each Performance Expectation.)*

1. Issuance of the Final Functions and Requirements Document for S-112 to ORP.
2. A letter from the contractor to ORP documenting compliance with the completion requirement for completion of the S-112 Saltcake waste retrieval technology demonstration design.
3. A letter will be transmitted by the contractor to ORP documenting compliance with the completion requirement for completion of construction.
4. A letter will be transmitted by the contractor to ORP documenting compliance with the completion requirement for full-scale saltcake waste retrieval demonstration for tank S-112.
5. TBD

**ASSUMPTIONS/TECHNICAL BOUNDARY CONDITIONS:** *(For reasonably foreseeable impacts to performance that are not within control of Contractor. If the assumption or condition proves false, the remedy is renegotiations unless stated otherwise.)*

1. ORP required reviews and approvals, will be performed within a time period of 30 calendar days. A day for day slip in completion of the milestones will be given to the contractor for delays beyond the 30-calendar day review.
2. The S-112 Project will remain an expense-funded project and will be managed in accordance with the guidance of HNF-IP-0842, Volume 13, Section 1.4, "Construction Project Management - Minor Projects."
3. Approval of RPP-7825, "Single-Shell Tank S-112 Full Scale Saltcake Waste Retrieval Technology Demonstration Functions and Requirements," will be granted by ORP and Ecology by June 19, 2002.
4. Existing Tank Farm infrastructure relied upon for use in execution of the retrieval (i.e., SY tanks, transfer lines, support systems, interim stabilization equipment, etc.) remains operational and available for use.
5. The strategy for LDM proposed by RPP-7825, Revision 0, "Single-Shell Tank S-112 Full Scale Saltcake Waste Retrieval Technology Demonstration Functions and Requirements," is adequate.
6. An Interim Stabilization end-state for Tank S-112 can be developed and agreed to by ORP and Ecology that will meet the intent of Consent Decree CT-99-5076-EFS, will satisfy the completion requirements of Performance Based Incentive ORP-05 for the tank, and will not delay the start of the S-112 Project retrieval operations once readiness to initiate saltcake dissolution has been established. A day-for-day slip in completion of Specific Requirements 4, *Complete full-scale saltcake waste retrieval demonstration at tank S-112*, will be given to the contractor for delay in the start of retrieval operations caused by lack of such an agreement.
7. Readiness Review activities will be a contractor-approved graded approach Readiness Assessment as defined by HNF-IP-0842, Volume 13, Section 3.1.
8. Contractor approval of the Final Design Review Report is considered to be the point at which 90% of the design is approved for fabrication and/or construction.
9. Specific Requirement 3 does not include installation/construction activity necessary to support the Waste Residuals Risk Reduction activity (Specific Requirement 5).
10. Completion of Specific Requirement 4 does not include the activity necessary to support the Waste Residuals Risk Reduction activity (Specific Requirement 5). If the Waste Residuals Risk Reduction activity (Specific Requirement 5) is judged to be necessary by ORP, then it will not be possible to achieve the Specific Requirement 4 objectives by the dates listed. If the Waste Residuals Risk Reduction activity (Specific Requirement 5) is judged to be necessary by ORP, then the maximum fee listed for completion of Specific Requirement 4 can be earned by TBD.

Office of River Protection

Performance Incentive Number ORP-20  
Revision No. 1 Date: 5/31/02

FY 2001 - 2006 PERFORMANCE BASED INCENTIVE

SECTION 5  
Signatures

C. J. A. 11  
ORP Manager/Date

8/23/02

5/31/02  
CHG President and General Manager/Date

8/23/02  
ORP Contracting Officer/Date

5/31/02  
CHG Contract Representative/Date

John H. Swales, Contracting Officer Representative 6/4/02  
Date